



# 2012

Annual Report

**KENTUCKY STATE FAIR BOARD**

## OUR BUSINESS

In 1902, the Kentucky General Assembly passed a bill stating the provision of "an annual state fair for the exhibition of agricultural, mechanical, horticultural, dairy, forestry, poultry, and livestock products be, and the same is hereby created to be known as the Kentucky State Fair." The Kentucky State Board of Agriculture became the governing body to implement and maintain this endeavor until 1938 when the Kentucky State Fair Board was created.

The Fair Board is comprised of gubernatorial appointments, members of university administrations, representing associations and leaders from around the state. Exceeding expectations, the Kentucky State Fair Board not only proved successful, but now generates nearly \$460 million annually in economic impact for the Commonwealth.

The Kentucky State Fair Board manages the Kentucky Exposition Center, a 1.2 million square foot facility and the Kentucky International Convention Center, a 300,000 square foot downtown convention center. The Board also produces three shows each year: the Kentucky State Fair, the National Farm Machinery Show and the North American International Livestock Exposition.

## OUR MISSION

The Kentucky State Fair Board shall promote the progress of the Commonwealth of Kentucky and stimulate public interest in the advantages and development of the Commonwealth by providing the Kentucky Exposition Center and the Kentucky International Convention Center for exhibitions, conventions, trade shows, public gatherings, cultural activities, and other functions. In managing these two facilities, the Kentucky State Fair Board resolves to advance Kentucky's tourism industry and economy while serving the entertainment, cultural and educational interests of the public.



The Kentucky State Fair Board is pleased to present the year in review – the 2012 Annual Report. Each day we have the honor as fair board members and employees to work at world-class facilities and to produce three unique and profitable shows consisting of the Kentucky State Fair, National Farm Machinery Show and the North American International Livestock Exposition. All are important pieces in the economic fabric of our commonwealth. Now, we look to the future and strive to go further, aim higher and build on our successes.

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Dear Friends:

The 2012 Annual Report highlights the growth and accomplishments of the Kentucky State Fair Board and the two facilities we operate and manage: the Kentucky Exposition Center and the Kentucky International Convention Center.

As an agency of the Kentucky Tourism, Arts and Heritage Cabinet, the Fair Board is a major contributor to the strength and vitality of the tourism industry and economic development of the commonwealth. We remain committed to attracting new business, spurring economic growth and producing first-class events for our local, national and international visitors.

Furthermore, the three shows produced by the Fair Board - Kentucky State Fair, National Farm Machinery Show, and North American International Livestock Exposition – continue to be among the nation's top-ranked events, producing nearly \$50 million in economic impact each year.

We hope you will join us in recognizing the accomplishments of 2012 in this Annual Report.

Sincerely,



Harold Workman  
President & CEO



Ronald Carmicle  
Chairman

Dear Friends:

Outlined in this report are the successes realized by the Kentucky State Fair Board during 2012. As in past years, the Fair Board continued its commitment to cultivate new business, stimulate economic growth and generate activity in the region and for the Commonwealth of Kentucky.

Throughout 2012, the Fair Board increased its efforts to grow and promote numerous attractions and events popular with Kentuckians and visitors to the Commonwealth, including the Kentucky State Fair and World's Championship Horse Show; the National Farm Machinery Show and Championship Tractor Pull; and the North American International Livestock Exposition and Championship Rodeo.


Additionally, the Fair Board saw continued growth with the attraction of new conventions, trade shows and conferences at the Kentucky Exposition Center and the Kentucky International Convention Center.

I commend the Fair Board for successfully transitioning the management of the KFC YUM! Center to the Louisville Arena Authority, and the Board's ongoing commitment to partner with the Arena Authority for marketing Louisville and the Commonwealth.

Our Tourism, Arts and Heritage Cabinet continued to work closely with the Board to encourage visitors to our state to seek new and enriching experiences and entertainment. As you will find in this report, those efforts remain successful.

I congratulate the Fair Board for another year filled with accomplishments that are vital to our growing tourism industry in Kentucky. Congratulations to the board and staff for a strong business year.

Sincerely,



Steven L. Beshear  
Governor





## **BUSINESS**

Competition for convention business is fierce. In spite of the challenge with regional and national competitors as well as a sluggish economy, the Kentucky Exposition Center and Kentucky International Convention Center strive to meet the needs of meeting planners and attendees alike. The quality of events at our facilities speaks for itself. Each year we host 21 of the area's top 25 conventions for a combined annual economic impact of \$600 million.

## KENTUCKY EXPOSITION CENTER

The nation's sixth largest convention and exposition facility continues to bring new and expanding business to Louisville while maintaining a long list of clients who happily return year after year.

A new event, the Arabian Horse Celebration and Shopping Expo, brought 25,000 visitors to Freedom Hall in September. Along with spirited competition, the event featured seminars, demonstration and a shopping expo all focused on furthering the Arabian horse breed.

One of the longest running tradeshow, the Recreational Vehicle Industry Association (RVIA), celebrated its 50th anniversary at the Kentucky Exposition Center, with 49 of its 50 shows held at KEC. Another 50th celebration to be held in 2013 is Carl Casper's Custom Auto Show. Long-time events such as these underscore the importance of relationships and quality client service in the tradeshow and convention business.

Freedom Hall continues to meet the needs of a wide variety of sporting events, including the Stickhorses' professional lacrosse team, the Kentucky Xtreme indoor football league, the BMX Nationals, the National Wheelchair Basketball Association Championships, and in 2013, the NCAA Men's Division II Championships.

Broadbent Arena was a hot venue in 2012 with a variety of new ticketed events. The 6,600 seat arena provided the setting for entertainment such as Winter Jam, Dayglo, Mac Miller, Professional Bull Riders, TobyMac, Casting Crowns, WWE and Kosair Shrine Circus.







## KENTUCKY INTERNATIONAL CONVENTION CENTER

Trade Show News Network brought its annual awards event to the Kentucky International Convention Center. Eight of the top recognized 250 shows of 2011 were held in Louisville with four of those in the top 25. (The shows were ranked by data supplied by show management as well as net square footage.) The shows honored include International Construction & Utility Equipment Exposition, GIE+Expo 2011, Mid-America Trucking Show, National Recreation Vehicle Industry Trade Show, ABC Kids Expo, Pumper & Cleaner Environmental Expo International, International Boatbuilders Exhibition and Conference, and Association for Middle Level Education.

Religious meeting planners continue to find that the convention center and the city meet the needs of attendees and provide a welcoming environment. This year was no exception bringing the National Youth Ministry Convention, 2012 Together for the Gospel, Presbyterian Church of America, North American Christian Convention, the Church of God of Prophecy International, Islamic Cultural Association of Louisville, and Wesleyan Church International Youth Convention during the past year.



## THANK YOU

Building a business is as much about product as it is about building relationships. Through a challenging economic climate, we have conducted our business more efficiently – working smarter and faster. The Kentucky State Fair Board would like to extend a warm thank you to our clients who have worked with us and beside us. Thanks for putting your business in our hands!

100 Black Men of Louisville  
40 Under 40 Luncheon  
ABC Kids Expo  
Alpaca Owners & Breeders Association  
Amazon.com/Zappos  
American Angus Breeders' Futurity  
Aramark  
Archery in the Schools  
Association of Equipment Manufacturers  
Brown Mackie College  
Build, Renovate & Landscape Expo  
Bullitt county School System  
Bunch Brothers Auctioneers  
Business First  
Business Women First Luncheon  
Carl Casper Custom Auto Show  
Central Farm Supply  
Chrysler Corporation  
Church of the Nazarene  
College & Career Expo

Core-Mark International  
Darrell Griffith Foundation  
Delta Sigma Theta Sorority  
Downtown Wedding Show  
Educational Testing  
Fandom Fest  
Funeral Directors of Kentucky Convention  
GIE + Expo  
Gordon Food Service  
Great Train Expo  
Group Publishing National Youth Ministry  
Heartland Payment Systems  
Hwang's Martial Arts Championships  
IBEX  
ICUEE (bi-annual)  
International Boer Goat Association  
JAMfest  
JCPS Graduations  
JCPS Showcase of Schools  
Jefferson Community Technical College

Junior Volleyball Association  
Kenny Woods Gun & Knife Show  
Kentuckiana Cluster Dog Show  
Kentuckiana Junior & Senior Beta  
KentuckianaWorks Youth Opportunity Showcase  
Kentucky Bar Association  
Kentucky Chamber of Commerce  
Kentucky Dental Association Convention  
Kentucky Flea Market & Christmas Gift & Décor Show  
Kentucky Funeral Directors  
Kentucky High School tournaments – Eddie Ford  
Kentucky Muscle  
Kentucky Music Educators Association Convention  
Kentucky National Beef Exposition  
Kentucky National Dairy Show & Sale  
Kentucky Optometric Spring Convention  
Kentucky Society of CPA's  
Kentucky Derby Festival  
Kentucky State Rabbit Breeders  
Kosair Shrine Circus







Kyana Antique Auto Swap Meet  
 L & L Exhibition Management  
 LG&E  
 Leadership Team Development  
 Louisville Boat, RV & Sport Show  
 Louisville Career Expo  
 Louisville Feis  
 Louisville Home, Garden & Remodeling Show  
 Mason-Dixon Games  
 Mayor's Community Thanksgiving Breakfast  
 Mercer  
 Mid-America Trucking Show  
 Mid-States Horticulture Expo  
 MMHF Show  
 National Archery in the Schools  
 National Beta Club  
 National Cat Club Championship Cat Show  
 National Field Archery Nationals  
 National Gun Days  
 National Quartet Convention

National Street Rods Association  
 National Swine Registry  
 National Young Bird Show  
 NCEES  
 New Albany Prom  
 NIRSA  
 Norton Healthcare  
 Ohio Valley Volleyball  
 Oldham County Schools  
 Phil Waldrep – Women of Joy  
 Power of Digital Series  
 Presbyterian Church USA  
 Quad Rugby Championships  
 RVIA  
 Show of Shows Military Show  
 Showcase of Historically Black Colleges & Universities  
 SHRM Conference  
 Simmental Breeders Sweepstakes  
 Spiritual Life Crusades  
 Star City Games

Stock Yards Bank & Trust  
 Tank Truck Show  
 Team Nationals  
 The Good Sam Club-RV Rally  
 The M.S. Center  
 Thornton's, Inc.  
 Together for the Gospel  
 Tri-State Minority Supplier Development Council  
 Business Opportunity Fair  
 UofL School of Business Cardinal Challenge  
 University of Louisville School of Medicine  
 Wesleyan Church International Youth  
 WHAS11 Health & Fitness Expo  
 What's Brewing Series  
 Whayne Supply Company  
 Winter Jam  
 Women Leaders in Insurance  
 World Triathlon Corporation

## KENTUCKY STATE FAIR

The Kentucky State Fair continues to be a successful annual event showcasing the best of Kentucky's heritage, agriculture and entertainment. There were challenges this year with drought and sluggish economy topping the list; however, neither deterred entries or visitors at the fair. Additional discount days were added enticements as were the expanded and more discounted Thrillway options. The Fair continues to offer free and paid concerts, thrill shows, stage entertainment, competitions, demonstrations, Thrillway and fair food making it an event for all the senses. With attendance for the 11-day event topping 599,854, entries totaling 53,844 and \$16.5 million in economic impact, the 2012 Kentucky State Fair is another one for the record books.







### **THRILLWAY**

The Thrillway opened earlier to accommodate families before the opening of Jefferson County Public Schools. Additional wristband days resulted in a 16% increase in receipts over last year.

### **SPECIAL DAYS**

Military Monday, Girl Scout Weekend, Early Bird Special and Senior Discount Day were well received with a 5% attendance increase on each given day.

### **SOCIAL MEDIA**

- Facebook fans – 35,780 (45% increase)
- Twitter followers – Nearly 3,000 (34% increase)
- Online conversations and contests were popular in promoting the Fair.
- Total reach in likes, shares and comments – 476,000

### **4-H & FFA SALE OF CHAMPIONS**

Sales totaled \$127,300, with more than \$2.24 million raised to further promote and encourage youth involvement in agriculture.



## NATIONAL FARM MACHINERY SHOW

This was a banner year for the National Farm Machinery Show and Championship Tractor Pull. Billed as the country's largest indoor farm expo, the show expanded to 853 exhibitors filling the 1.2 million square feet of exhibit space and bringing in nearly \$4 million in exhibit space revenue for the first time in the show's 47-year history. The four-day event played host to the third largest in the show's history with 305,512 attendees. Not to be outdone, the Championship Tractor Pull set records with a 4% uptick in total ticket and suite sales making it the second-highest grossing year since 2008. In addition, sponsorship revenue increased 10.5 % over the previous year's totals as Syngenta, Farm Credit Mid-America, Farm Industry News, DTN, United Soybean Board and FMC provided sponsorship revenue to enhance events and services at the show.







### EXHIBIT SPACE

853 exhibitors (nearly \$4 million in exhibit space revenue – first time since the show's inception.) Exhibit space sold out a year in advance.

### SOCIAL MEDIA

- Facebook Fans – 12,254 (14% increase)
- Twitter Followers – 1,320 (24% increase)
- During the Championship Tractor Pull live tweets kept followers apprised of the roar in Freedom Hall.

### REVENUE AND ATTENDANCE

- CTP Ticket Sales – \$2,304,208 (4% increase over 2011)
- CTP Suite Sales – \$116,000 (up 14% over 2010)
- Sponsorship – \$249,742 (increased 10.5% over 2011)
- Attendance – 305,512 (3rd highest in 47 yr history)
- Economic Impact – \$21.5 million

## NORTH AMERICAN INTERNATIONAL LIVESTOCK EXPOSITION

For 39 years, the North American International Livestock Exposition has promoted the purebred livestock industry with sales, auctions, meetings, and youth and collegiate competitions. Annually, the exposition pumps \$11.6 million in economic impact into the commonwealth and hosts attendees from 48 states and nine countries during its 14-day run. Rodeo thrills and spills came to Freedom Hall during the North American Championship Rodeo, selling 14,876 tickets. Produced by the Pro Rodeo Cowboy Association and offering nearly \$90,500 in prizes, winners compete for advancement to the circuit finals.

Saddle & Sirloin inducted Dr. Gary L. Minish (pictured, right) is the 2012 inductee in the Saddle and Sirloin Portrait Gallery. Minish, a Plano, TX resident, has served for over forty years as an educator, livestock judge and industry promoter.







#### **ENTRIES**

- **26,099** – Competitive entries topped last year's totals to set a new entry record.
- Online entries increased more than 10.45% from last year.

#### **SOCIAL MEDIA**

Facebook Fans – 11,823 (16% increase).

#### **ONLINE ACTIVITY**

In addition to the United States, Canada and the United Kingdom, videostreaming was watched live by viewers worldwide, including New Zealand, Australia, Denmark, Brazil, Saint Kitts, Nevis, Austria, Japan and South Africa.



## MEDIA & PUBLIC RELATIONS

With the ever changing delivery of news and information, the Kentucky State Fair Board utilizes social media along with tried and true communication methods to engage and convey our message. Using Facebook, Twitter and Pinterest, communication and advertising can reach a varied audience quicker than ever, with conversations happening at any time of the day or night.

TELEVISION – 3,513 impressions / \$10,980,216 advertising equivalency

PRINT/WEB – 2,970 impressions

(Web ads appeared on newspaper, radio station, magazine, television station & Ticketmaster websites.)

### SOCIAL MEDIA

	Facebook	Twitter
KEC	4,825 (53% increase)	1,723 (24% increase)
KICC	358 (100% increase)	N/A
KSF	36,178 (45% increase)	2,877 (35% increase)
NFMS	13,309 (14% increase)	1,521 (24% increase)
NAILE	10,704 (6% increase)	N/A

### PRINT ADVERTISING

	Placements	Circulation
Facilities	26 ads	365,713
NAILE	44 ads	1,126,497
NFMS	40 ads	4,093,992
KSF	73 ads	6,534,281

BILLBOARDS – 16 placements





## CAPITAL PROJECTS

**ESCO Project 2** – Established and funded energy project to improve energy usage and utilize new efficient technologies at KEC & KICC

**East Hall Lighting Improvement** – Installation of high efficient induction lighting fixtures, resulting in improved lighting levels and reduction in heat generation and energy usage.

**Cardinal Stadium Structural Repairs** – Emergency structural repairs to left field structural column.

**Cardinal Stadium Roof Repair** – Repairs performed to portion of roof that was damaged in windstorm.

**Freedom Hall Facade Painting** – Painting of the front facade/atrium of Freedom Hall to improve curb appeal.

**Hail Storm Damage** – Assessment of damage due to hail storm. Areas affected were roofs, mechanical units and building wall surfaces. Emergency repairs have been performed with long term repairs in progress.

**The Club (formerly Hickman Camp) & Presidents Rooms Renovations** – Hospitality rooms located in Freedom Hall were renovated to improve client experience and comfort.

**KICC Parking Garage Renovation** – Review of parking garages, Cowger and Commonwealth, establishing funding for renovation. Project scope to include structural repairs, lighting upgrades and improved sublevel ventilation.

**KICC Lift Station Renovation** – Renovation of sewer waste disposal station, moved lift station to above grade level for ease of maintenance.



## FINANCIAL OVERLOOK / FISCAL YEAR 2011-2012

REVENUES	KEC	KICC
Event Income	38,604,000	2,801,000
Other income	418,000	177,000
Parking Garage Income	N/A	2,165,000
<b>TOTAL</b>	<b>39,022,000</b>	<b>5,143,000</b>

EXPENSES	KEC	KICC
Direct Event Costs	20,421,000	280,000
Administrative Costs	3,603,000	1,033,000
Maintenance Costs	9,768,000	2,925,000
<b>TOTAL</b>	<b>33,792,000</b>	<b>4,238,000</b>

<b>Net Income (before depreciation)</b>	<b>5,230,000</b>	<b>905,000</b>
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### KENTUCKY STATE FAIR BOARD INCOME

Direct Event Income	43,571,000
Rental Income from Long-term Lease	1,333,000
Other Operating Income	13,189,000
<b>TOTAL</b>	<b>58,093,000</b>

### KENTUCKY STATE FAIR BOARD EXPENSES

Kentucky Exposition Center	33,792,000
Kentucky International Convention Center	4,238,000
General Administrative & Sales Expenses	7,955,000
Bond Interest Expense	2,210,000
Depreciation	9,366,000
<b>TOTAL</b>	<b>57,561,000</b>

<b>*Net Income</b>	<b>532,000</b>
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\* Includes the net gains from the sale of the Hyatt Hotel property of \$6,385,000 and an appropriation from the Commonwealth of Kentucky of \$5,500,000.





#### **BOARD MEMBERS**

**Steven L. Beshear**, Governor, Commonwealth of Kentucky

**Ronald Carmicle**, Chairman, Louisville, Construction Executive

**Mike Libs**, Vice Chairman, Philpot, Retired Businessman

**Anna Jane Cave**, Glendale, Businesswoman/Farmer

**James Comer**, Tompkinsville, Commissioner for the Department of Agriculture

**Marshall Coyle**, Owingsville, Businessman/Farmer

**Gib Gosser**, Somerset, Businessman

**Lanny Greer**, Manchester, Banker

**Dr. Mark E. Lynn**, Louisville, Businessman/Optometrst

**Ann McBrayer**, Lexington, Businesswoman

**Stephen Pence**, Louisville, Attorney

**Fred Sarver**, Carlisle, Horse Farm Manager

**Marcheta Sparrow**, Frankfort, Secretary, Tourism Arts & Heritage Cabinet

**Thomas Schifano**, Louisville, Businessman

**Dr. M. Scott Smith**, Lexington, Dean, College of Agriculture, University of Kentucky

**William B. Tolle**, Maysville, Businessman/Farmer



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